



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal - Funding Year 2003-2004

February 16, 2005

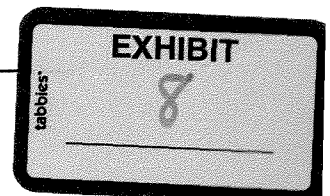
James E. Davis
Milwaukee Public Schools
5225 West Vliet Street
Milwaukee, WI 53201-2181

Re: Billed Entity Number: 132882
471 Application Number: 361703
Funding Request Number(s): 1043797
Your Correspondence Dated: January 29, 2004

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision regarding your appeal of SLD's Year 2003 Funding Commitment Decision for the application number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one application number, please note that for each application an appeal is submitted, a separate letter is sent.

Funding Request Number: 1043797
Decision on Appeal: **Partially Approved, Funding Reduced**
Explanation:

- On appeal, you seek reversal of the SLD's decision to deny the funding request where no contract or legally binding agreement was in place when the Form 471 was filed. In your Letter of Appeal, you cite the *Signed Contracts* section of the "Instructions for Funding Year 2003 Form 471." Further, you indicate that the Milwaukee City Attorney provided a legal opinion that concluded the Milwaukee Public Schools ("MPS") had a legally enforceable agreement in place with each of its selected vendors before the E-rate deadline. You enclose a copy of a letter from the City of Milwaukee, Office of the City Attorney with the Letter of Appeal.
- Your appeal has brought forward persuasive information that your appeal should be partially approved. Unfortunately, the amount of approved funding has been reduced for the reasons cited below.



- During review of the appeal it was determined that you provided a valid contract to SLD during review of your Form 471 application. Consequently, your appeal has been granted. However, during appeal review it was found that you authorized a reduction in your funding request to \$1,250,000.00 during the initial review of your application. Furthermore, the contract you have provided has an expiration date of February 25, 2004. Consequently, the funding request has been reduced to reflect the authorized reduction in your original funding request, as well as the contract expiration date of February 25, 2004.

Since the Administrator's Decision on Appeal approves additional funding for your application, SLD will issue a new Funding Commitment Decision Letter to you and to each service provider that will provide the services approved for discounts in this letter. SLD will issue the Funding Commitment Decision Letter to you as soon as possible. The Funding Commitment Decision Letter will inform you of the precise dollar value of your approved funding request. As you await the Funding Commitment Decision Letter, you may share this Administrator's Decision on Appeal with the relevant service provider(s). However, Forms 486 cannot be filed for the services covered by this appeal until you have received your new Funding Commitment Decision Letter.

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either the SLD or the Federal Communications Commission (FCC). For appeals that have been denied in full, partially approved, dismissed, or cancelled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company